

Message Text

LIMITED OFFICIAL USE

PAGE 01 JIDDA 03765 01 OF 02 280646Z

20

ACTION H-03

INFO OCT-01 NEA-07 ISO-00 SS-07 NSC-06 AID-01 /025 W

----- 084794

P R 271330Z MAY 75

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 1366

AMEMBASSY ROME PRIORITY

INFO AMCONSUL DHAHRAN

LIMITED OFFICIAL USE SECTION 1 OF 2 JIDDA 3765

AMEMBASSY ROME PLEASE PASS SENATOR BAKER

DEPT PASS PAT HOLT, SENATE FOREIGN RELATIONS COMMITTEE

E.O. 11652: N/A

TAGS: OREP (BAKER, HOWARD)

SUBJECT: SENATOR A BAKER'S INTERVIEW WITH CROWN PRINCE FAHD
IN DHAHRAN, MAY 25

BEGIN QUOTE

1. RECALLING TO HIS ROYAL HIGHNESS THAT I HAD JUST MET WITH
A NUMBER OF LEADERS IN ISRAEL AND ARAB COUNTRIES, AND SLO
STRESSING THAT THE UNITED STATES DID NOT ENVY OR COVET
SAUDI ARABIA'S WEALTH, I ASKED THE CROWN PRINCE IF HE HAD
ANY SUGGESTIONS TO PASS ON TO PRESIDENT FORD BEFORE HIS
SALZBURG MEETING WITH PRESIDENT SADAT.

2. PRINCE FAHD SAID THAT SAUDI ARABIA WISHED TO HELP
PRESIDENT FORD SOLVE THE PROBLEM "LOGICALLY" AND AS "SINCERE
FRIENDS." THE RECENT STATEMENTS OF SECRETARY SCHLESINGER
AS TO THE POSSIBLE USE OF FORCE IN THE EVENT OF ANOTHER
OIL EMBARGO HAD "MUDDIED" THE WATER, BUT PRESIDENT FORD'S
SUBSEQUENT STATEMENT DISAVOWING THE INTENT TO USE FORCE
"NIPPED IN THE BUD" ANY MALICIOUS TENDENCY AND RESTORED
THE GOOD ATMOSPHERE FOR THE FORD-SADAT MEETING.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JIDDA 03765 01 OF 02 280646Z

3. WE TALKED OF THE SUPPLY AND PRICE OF OIL. I SUGGESTED

THAT A NEW ROUND OF PRICE INCREASES WOULD CAUSE GREAT
DISRUPTION, ALTHOUGH WE HAD PROBABLY GOTTEN USED TO THE
PRICE INCREASES WHICH HAD ALREADY TAKEN PLACE.

4. "YOUR POINT IS VERY WELL TAKEN," SAID THE CROWN PRINCE.
SAUDI ARABIA, HE SAID, WAS ACUTELY AWARE OF THE NEEDS OF
BOTH INDUSTRIAL AND DEVELOPING COUNTRIES, AND WAS TRYING
TO REDUCE PRICES IS POSSIBLE, BUT CERTAINLY TO KEEP THEM
IN BOUNDS. TO THIS END HE THOUGHT THAT CONSUMERS AND
PRODUCERS SHOULD MEET AGAIN TO DISCUSS THIS AND RELATED
ISSUES. HE NOTED THAT THE PRICES OF ESSENTIAL IMPORTS--
NOTABLY FOODSTUFFS AND INDUSTRIAL MATERIALS--HAD BEEN
RISING EVEN BEFORE THE OIL PRICE INCREASES, AND WERE STILL
RISING. HAVING SAID THIS, HE THOUGHT THAT PRODUCERS AND
CONSUMERS SHOULD PICK UP WHERE THEY LEFT OFF AFTER THE
FAILURE OF THEIR PREPARATORY CONFERENCE IN PARIS. I
SAID I THOUGHT IT MADE SENSE TO COUPLE THE PRICE OF OIL
WITH OTHER PRICES, AND THE CROWN PRINCE SAID THAT HE WAS
"DELIGHTED" TO LEARN THAT SECRETARY KISSINGER IS INTERESTED
IN A RENEWAL OF THE CONFERENCE TO "LAY DOWN CERTAIN PRIN-
CIPLES." HE THOUGHT IT IMPERATIVE THAT ALL CONCERNED--
PRODUCERS, CONSUMERS, AND DEVELOPING COUNTRIES--PUT THEM-
SELVES IN A "CLOSED ROOM" UNTIL THEY AGREED ON A GENERAL
ARRANGEMENT FOR THE STABILIZATION OF WORLD PRICES.

5. I ASKED PRINCE FAHD FOR HIS APPRAISAL OF THE BRITISH
ECONOMIC SITUATION. HE SAID IT BEHOOVES THE FRIENDS OF
BRITAIN TO TRY NOT TO LET THE BRITISH HIT BOTTOM. THEIR
DIFFICULTIES STEM, HE SAID, FROM LABOR UNIONS WHO WANT TO
WORK FEWER HOURS FOR HIGHER WAGES, AND THAT, HE THOUGHT,
WAS A PROBLEM WITH WHICH FOREIGNERS COULD NOT HELP. WE
CAN DEPOSIT FUNDS AND INCREASE IMPORTS, SAID THE CROWN
PRINCE, BUT ONLY THEY CAN SOLVE THEIR LABOR DIFFICULTIES.
THE UNIONS, HE THOUGHT, "ARE SPOILING THOSE FELLOWS."
FIRST AND FOREMOST THE BRITISH MUST DO SOMETHING FOR
THEMSELVES, BUT IF THEY WILL, SAID PRINCE FAHD, THE UNITED
STATES AND SAUDI ARABIA CAN "COME TO THEIR FURTHER
RESCUE." THE SOVIETS, HE ADDED, WHO WOULD NEVER TOLERATE
SUCH BEHAVIOR ON THE PART OF THEIR LABOR, MUST "LAUGH
UP THEIR SLEEVE" WHEN THEY SEE WHAT IS HAPPENING IN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 JIDDA 03765 01 OF 02 280646Z

BRITAIN AND ITALY. HE WAS NOT ADVOCATING SOCIAL INEQUAL-
ITIES, PRINCE FAHD ADDED, BUT STRESSING THE NEED OF
COOPERATION AMONG GROUPS IN A SOCIETY FOR THE COMMON
GOOD. IT WAS "*****" AGAINST THE LAW OF NATURE," HE COMMENTED,
FOR A SELF-MADE MAN TO BE SATISFIED WITH REWARDS NO
GREATER THAN THOSE GOING TO THE INEFFICIENT OR THE INDOLENT.
I COMMENTED THAT OUR TWO COUNTRIES PERHAPS STOOD ALONE IN
ADHERENCE TO THAT GENERAL PROPOSITION.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 JIDDA 03765 02 OF 02 280724Z

16

ACTION H-03

INFO OCT-01 NEA-07 ISO-00 SS-07 NSC-06 AID-01 /025 W

----- 085087

P R 271440Z MAY 75

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 1367

AMEMBASSY ROME PRIORITY

INFO AMCONSUL DHAHRAN

LIMITED OFFICIAL USE SECTION 2 OF 2 JIDDA 3765

6. PRINCE FAHD URGED THE UNITED STATES TO REMEMBER THAT U.S.-SAUDI FRIENDSHIP WENT BACK TO THE DAYS OF KING ABD AL-AZIZ. AS SOLID AS THE FRIENDSHIP IS, HE HOPED WE WOULD NOT PERMIT ANYONE TO "MUDDY" IT. AND THAT, HE SAID, BROUGHT HIM TO THE "PROBLEM OF THE HOUR," THE ARAB-ISRAELI CONFLICT. HE SAID THAT HE, AS AN ARAB, WOULD, OR COURSE EMOTIONALLY, LIKE TO SEE THE UNITED STATES "1000 PERCENT" ON THE SIDE OF THE ARABS, BUT WOULD SETTLE FOR "LOGIC," "REASON" FOR THE "PRAGMATISM YOU ARE FAMOUS FOR." HE WOULD HAVE US MAINTAIN OUR FRIENDSHIP WITH ISRAEL, HE SAID, BUT HOPED THAT WE WOULD BALANCE IT IN RELATION TO OUR OTHER INTERESTS.

7. I NOTED THAT REAPPRAISALS OF POLICY IN THE UNITED STATES COME SLOW, ESPECIALLY IN THE CONGRESS. I SAID THAT I DID NOT KNOW WHERE AMERICAN POLICY WOULD COME OUT, BUT BELIEVED THAT IT "WILL CHANGE, AND WILL CHANGE FOR THE BETTER." I REMINDED THE CROWN PRINCE THAT I WAS NOT SPEAKING AND COULD NOT SPEAK FOR THE PRESIDENT AND THE SECRETARY, BUT THAT I HOPED THAT SAUDI ARABIA WOULD ADVOCATE ALL POSSIBLE FLEXIBILITY ON THE ARAB SIDE. "WE MUST NOT LOSE THIS OPPORTUNITY," I SAID.

8. PRINCE FAHD SAID THAT HE TOO SAW "A GOLDEN OPPORTUNITY." THE ARABS, HE SAID, HAD "RALLIED AROUND" PRESIDENT SADAT AS THE "VOICE OF REASON," AND HE ADDED THAT HE HAD LONG AGO URGED THE UNITED STATES TO "CULTIVATE THIS MAN."

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JIDDA 03765 02 OF 02 280724Z

9. I ASKED THE CROWN PRINCE'S OPINION OF YASSER ARAFAT. ARAFAT, ASAD OF SYRIA, AND SADAM HUSSEIN OF IRAQ, HE REPLIED, ARE ALL "VERY GOOD SOLID PEOPLE"--AS WELL AS KING HUSSEIN AND PRESIDENT SADAT, WHO ARE WELL KNOWN TO AMERICANS. ARAFAT, SAID THE CROWN PRINCE, IS THE "BEST" AND "MOST REASONABLE" MAN TO REPRESENT THE PALESTINIANS. I NOTED THAT MANY AMERICANS AND VIRTUALLY ALL ISRAELIS REGARD ARAFAT AS A TERRORIST. ARAFAT, PRINCE FAHD REPLIED, DOES NOT CONTROL ALL THE PALESTINIAN FACTIONS, BUT HE DOES CONTROL THE GREATER PART. THE CROWN PRINCE AND STRENGTHEN HIS POSITION, THE DISPARATE FACTIONS WOULD "WITHER ON THE VINE." ONCE MUST TRY TO BE AHEAD OF EVENTS, SAID THE CROWN PRINCE. IF THE UNITED STATES WOULD RECOGNIZE ARAFAT, THAT WOULD RAISE HIS STATURE AND "PUT HIM UNDER A VERY IMPORTANT MORAL OBLIGATION" TO BEHAVE RESPONSIBLY. THIS MAY BE DIFFICULT FOR THE UNITED STATES NOW, PRINCE FAHD ADDED, BUT HE SAW IT INEVITABLY HAPPENING, AND HE URGED US TO GIVE IT THOUGHT.

10. PURSUING THE MATTER FURTHER, I ASKED IF HE THOUGHT ARAFAT HAD THE PERSONAL CAPACITY TO MAKE THE CHANGE FROM A COMMANDO LEADER TO A RESPONSIBLE GOVERNMENT LEADER. "YES," THE CROWN PRINCE REPLIED, "ON ONE CONDITION, THAT THE UNITED STATES RECOGNIZE HIM" THEN THE TRANSITION WOULD BE "ALMOST AUTOMATIC." THEN HE COULD SILENCE THE REJECTIONISTS-- "ONCE AMERICA OFFERS HIM THE HAND." "I AM ALMOST CERTAIN," PRINCE FAHD ADDED, THAT IN BACK OF ARAFAT ARE MANY SUPPORTERS "WHO FEEL AS I DO." CAN ARAFAT GET THE PLO TO RENOUNCE THE DESTRUCTION OF ISRAEL? I ASKED. "NOTING IS UNOBTAINABLE," THE CROWN PRINCE REPLIED, IF THE UNITED STATES RECOGNIZES ARAFAT. I ASKED IF HIS ROYAL HIGHNESS THOUGHT THAT THE PLO WOULD IN FACT RENOUNCE THE DESTRUCTION OF ISRAEL. AGAIN PRINCE FAHD REPLIED YES. ARAFAT, HE SAID, KNOWS THAT THE THREE CONFRONTATION STATES--EGYPT, JORDAN AND SYRIA--ALL ARE READY FOR A REASONABLE SOLUTION--AND THEN HE COULD "GO WITH HIS BROTHERS." WHAT TERRITORY DOES ARAFAT REQUIRE? I ASKED. IF ISRAEL WITHDRAWS TO THE BORDERS OF 1967, AND IF A PALESTINIAN GOVERNMENT IS THEN FORMED ON THE WEST BANK AND IN GAZA, THE CROWN PRINCE REPLIED, THAT WOULD BE AN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 JIDDA 03765 02 OF 02 280724Z

"EXCELLENT BEGINNING OF A LONG-TERM PERMANENT SOLUTION."

PRINCE FAHD FORESAW TOO THAT MOST PALESTINIANS LIVING
ABROAD WOULD NOT WISH TO GO BACK TO THE PALESTINIAN STATE.
HE SAID AGAIN THAT HE THOUGHT THE PRESENT MOMENT ONE OF
"PRECIOUS OPPORTUNITY," AND THAT IF IT WERE NOT SEIZED
UPON ONLY WORLD COMMUNISM WOULD GAIN.

11. IN CLOSING PRINCE FAHD SPOKE OF THE LETTER IN SUPPORT
OF ISRAEL SIGNED BY 76 SENATORS, BY WHICH HE WAS DISTURBED
AND DISAPPOINTED. AMERICAN POLITICAL LEADERS, HE SAID,
MUST RECOGNIZE THAT THEIR ACTIONS HAVE MORE THAN "INTERNAL"
EFFECTS. END QUOTE
AKINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, FOREIGN RELATIONS, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975JIDDA03765
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750185-1069
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750517/aaaaapie.tel
Line Count: 235
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION H
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 08 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 APR 2003 by ShawDG>; APPROVED <09 APR 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SENATOR A BAKER'S INTERVIEW WITH CROWN PRINCE FAHD IN DHAHRAN, MAY 25
TAGS: OREP, PFOR, US, SA, (BAKER, HOWARD), (FAHD, PRINCE)
To: STATE ROME
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006